

August 6, 2018

Mr. Alejandro Rico Assistant Planner City of Fontana 8353 Sierra Avenue Fontana, California 92335

Dear Mr. Rico:

Thank you for providing California Air Resources Board (CARB) staff the opportunity to comment on the City of Fontana's (Lead Agency) Draft Focused Environmental Impact Report (DEIR) for the proposed Seefried Valley and Catawba Warehouse Project, State Clearinghouse No. 2018041008 (Project). The proposed Project includes the construction and operation of a 376,910 square-foot logistics warehouse located on a vacant 17.6-acre site in the city of Fontana, as well as a General Plan land use designation change from general commercial to industrial. The DEIR concludes that the Project would result in significant and unavoidable air quality and greenhouse gas impacts. CARB staff believes that more must be done to lessen these impacts.

CARB staff is currently engaged in statewide efforts to identify actions that minimize emissions and community health impacts from freight facilities, including warehouse/distribution facilities such as the proposed Project. The proposed Project site is located near commercial and industrial businesses, residences, and a major freeway (I-10). Within 1,000 feet of the project site is Poplar Elementary School and within half a mile are Jurupa Hills High School and Truman Middle School. Changing the current land use designation from general commercial to industrial to build and operate a new warehouse/distribution facility will increase air pollution impacts in the community. Freight facilities, such as warehouse/distribution facilities, are frequented daily by volumes of heavy-duty diesel trucks and equipment that emit toxic diesel emissions and contribute to regional pollution, as well as global climate change.

The State of California has recently placed additional emphasis on protecting local communities from the harmful effects of air pollution through the passage of Assembly Bill 617 (AB 617) (Garcia, Chapter 136, Statutes of 2017). AB 617 is a significant piece of air quality legislation that highlights the need for further emission reductions in communities with high exposure burdens, like those near the proposed Project. The census tract containing the proposed Project is in the 99<sup>th</sup> percentile for Pollution Burden and is directly adjacent to a designated disadvantaged community, as defined by the California Environmental Protection Agency (CalEPA). CalEPA defines a disadvantaged community as a community that scores within the top 25 percent of the

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census tracts, as analyzed by the California Communities Environmental Health Screening Tool Version 3.0 (CalEnviroScreen). CalEnviroScreen uses a screening methodology to help identify California communities that are disproportionately burdened by multiple sources of pollution.

The DEIR concludes that the proposed Project's air quality and health impacts for construction are less than significant. However, the DEIR concludes that air quality and greenhouse gas impacts during operations will be significant and unavoidable with mitigation, as will cumulative impacts. Even where impacts will remain significant and unavoidable after mitigation, the California Environmental Quality Act (CEQA) nevertheless requires that all feasible mitigation measures be incorporated. (See Cal. Pub.Resources Code § 21081;14 CCR § 15126.2(b).) CARB staff has determined that the proposed mitigation measures fall short of this standard and must be strengthened.

To that end, we urge you to ensure that the community is not adversely impacted by the proposed Project. The latest health science tells us that we must be even more vigilant to protect children, who experience higher doses and are more sensitive to air pollution than previously understood. If the Lead Agency approves the proposed Project, CARB staff recommends that the Lead Agency accelerate the use of zero and near-zero emission technologies and implement other reduction strategies to reduce emissions and exposure, as detailed in our attached comments on the proposed Duke Warehouse Project in Perris, California (Elizabeth Yura to Nathan Perez, February 24, 2017, see sections titled "Project Design Features and Mitigation Measures" and "Other Recommendations").

CARB staff appreciates the opportunity to comment on the DEIR for the proposed Project and is able to provide assistance on zero and near-zero technologies and emission reduction strategies, as needed. Please include CARB on your State Clearinghouse list of selected State agencies that will receive the Final Environmental Impact Report.

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If you have questions, please contact me at (916) 322-8285 or via email at richard.boyd@arb.ca.gov.

Sincerely,

Richard Boyd, Chief Risk Reduction Branch Transportation and Toxics Division

Richard Boyt

#### Attachment

cc: Morgan Capilla

**Environmental Review Section** 

U.S. Environmental Protection Agency

Region 9

75 Hawthorne Street, ENF-4-2

San Francisco, California 94105-3920

Ester Portillo-Gonzales
Programs Manager
Center for Community Action and Environmental Justice
P.O. Box 33124
Riverside, California 92519-0124

Lijin Sun Program Supervisor-CEQA South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, California 91765-4182

State Clearinghouse P.O. Box 3044 Sacramento, California 95812-3044

# **ATTACHMENT**



Environmental Protection

# **Air Resources Board**

Mary D. Nichols, Chair
1001 | Street • P.O. Box 2815

Matthew Rodriquez
Secretary for

Mary D. Nichols, Chair
1001 | Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown Jr.

February 24, 2017

Mr. Nathan Perez Associate Planner Planning Division 135 North "D" Street Perris, California 92570

Dear Mr. Perez:

Thank you for providing the Air Resources Board (ARB) the opportunity to comment on the Notice of Preparation (NOP) for the Duke Warehouse at Southwest Corner of Indian Avenue and Markham Street (Project) Draft Environmental Impact Report (DEIR). The proposed Project consists of constructing a 668,681 square foot warehouse building and associated infrastructure on a 31-acre site.

The Project site is currently vacant land, surrounded by primarily, mixed use, commercial and industrial businesses, undeveloped agricultural land and public roads. The NOP indicates that the proposed Project is being constructed as speculative, meaning the developer will find an operator for the warehouse after the Project is entitled. Features of the proposed Project include 271 employee/visitor parking stalls, 162 truck stalls, and 104 truck docks.

Should the results of the DEIR analysis find an increase in health risk in the immediate area, the proposed Project should utilize all existing and emerging zero-emission technology and implement land use decisions that minimize diesel particulate matter (PM) exposure to the neighboring community. The final Project conditions should provide for the use of those technologies now and in the future. This will serve to better protect the health of nearby residents from the harmful effects of fine particle pollution, including diesel PM, and help achieve emission reductions required to attain air quality standards for all pollutants and reduce greenhouse gases.

Additionally, a full health risk assessment should be conducted and the air quality and health risk assessment should use both the existing conditions baseline and a future conditions baseline.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <a href="http://www.arb.ca.gov">http://www.arb.ca.gov</a>.

California Environmental Protection Agency

Furthermore, the DEIR should include an analysis of the significant cumulative impacts of the proposed Project for both operational and construction air quality impacts (California Environmental Quality Act (CEQA) Guidelines, Section 15130). Cumulative impact is referred to as "two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts" (CEQA Guidelines Section 15355).

## **Project Design Features and Mitigation Measures**

If the results of the DEIR analysis find an increase in health risk, the majority of the potential localized cancer risk for the proposed Project will likely be attributable to an increase in diesel PM from the construction and long-term operation of the facility. Consequently, ARB staff recommends actions to support the deployment of zero and near-zero emission technology to reduce localized health risk and regional emissions. If the analysis shows significant health or air quality impacts, the following project design features should be included and/or further developed as a mitigation measure:

- 1) Incorporate zero and near-zero emission technologies that are commercially available now and in the future. Support the deployment of zero emission technologies including zero emission (such as battery electric or fuel cell electric) forklifts, battery electric and hybrid electric medium-duty trucks to the fullest extent feasible. These technologies are commercially available today. Additional advancements, especially for on-road trucks, are expected in the next three to five years. ARB's Technology and Fuels Assessments provide information on the current and projected development of mobile source technologies and fuels, including current and anticipated costs at widespread deployment. The assessments can be found at <a href="https://www.arb.ca.gov/msprog/tech/tech.htm">https://www.arb.ca.gov/msprog/tech/tech.htm</a>.
- 2) Implement, and plan accordingly for, the necessary infrastructure to support the zero emission and near-zero emission technology vehicles and equipment that will be operating onsite. This includes physical (e.g. needed footprint), energy, and fueling infrastructure for construction equipment, on-site vehicles and equipment, and medium-heavy and heavy-heavy duty trucks.
- 3) Given that the future tenant is unknown, implement and plan accordingly to provide sufficient plug-in capabilities for transport refrigeration units (TRUs) to eliminate the amount of time that a transport refrigeration system powered by a fossil-fueled internal combustion engine can operate at the Project site. Use of zero emission all-electric plug-in transport refrigeration systems, hydrogen fuel cell transport refrigeration, and cryogenic transport refrigeration is encouraged.

ARB's Technology Assessment for Transport Refrigerators provides information on the current and projected development of TRUs, including current and anticipated costs. The assessment is available at <a href="https://www.arb.ca.gov/msprog/tech/techreport/tru">https://www.arb.ca.gov/msprog/tech/techreport/tru</a> 07292015.pdf.

- 4) Ensure the cleanest possible construction practices and equipment is utilized. For off-road construction equipment, utilize those that meet Tier 4 emission standards where possible and Tier 3, at a minimum. Other practices include eliminating idling of diesel-powered equipment, requiring the use of zero and near-zero emission equipment and tools, and providing the necessary infrastructure (e.g. electric hookups), to support that equipment. In addition, require that all construction fleets be in compliance with all current air quality regulations. ARB staff is available to provide assistance in implementing this recommendation.
- 5) Require that all medium-heavy and heavy-heavy duty trucks, including any alternative fuel vehicles, meet or exceed the 2010 emission standards. Support the deployment of zero and near-zero technologies including utilizing zero emission (such as battery electric or fuel cell electric) forklifts and battery electric and hybrid electric medium-duty trucks to the fullest extent feasible. ARB's Technology and Fuels Assessments provide information on the current and projected development of mobile source technologies and fuels, including current and anticipated costs at widespread deployment. The assessments can be found at http://www.arb.ca.gov/msprog/tech/tech.htm.
- 6) Consider including contractual language in tenant lease agreements that includes tenants be in and monitor compliance with all current air quality regulations for on-road trucks including ARB's Heavy-Duty Greenhouse Gas Regulation, Periodic Smoke Inspection Program, and the Statewide Truck and Bus Regulation. ARB staff is available to provide assistance in implementing this recommendation.
- 7) Consider including contractual language in tenant lease agreements that require future tenants use cleaner technologies over time as they become available and feasible. This can be accomplished by requiring tenants to develop an annual Technology Review Program to identify any new emissions-reduction technologies that may reduce emissions at warehouse distribution centers, including the feasibility of zero and near-zero emissions technologies for heavy-duty trucks, yard equipment, forklift, and pallet jacks. If the technology review demonstrates the new technology will be effective in reducing emissions and the City of Perris (City) determines that installation or use of the technology

is feasible, the tenant shall implement such technology within 12 months of the City's determination.

### Air Quality Analysis and Health Risk Assessment

A health risk assessment (HRA), dated January 2017, is currently available for public review. This HRA should be revised to include the following:

- Evaluate proposed Project criteria air pollutant and greenhouse gas emissions using the California Emission Estimator Model (CalEEMod). The most recent version of CalEEMod is available at <a href="https://www.caleemod.com">www.caleemod.com</a>.
- 2) The health risk assessment should utilize the most current Office of Environmental Health Hazard Assessment guidance for that assessment, which is presently the 2015 Air Toxics Hot Spots Program Guidance Manual for Preparation of Heath Risk Assessments available at http://oehha.ca.gov/air/hot\_spots/hotspots2015.html.
- 3) Include a health risk and air quality analysis utilizing both the existing conditions baseline (current conditions) and a future conditions baseline (full build out year, without the Project). This analysis will be useful to the public in understanding the full impacts of the Project. It is important to ensure that the public has a complete understanding of the environmental impacts of the proposed Project, as compared to both existing conditions and future conditions.
- 4) Table 3 in the HRA used an average daily truck traffic (ADT) rate for the proposed Project of 230 ADTs. ARB concurs with the South Coast Air Quality Management District (SCAQMD) that the ADT should be based on daily vehicle trips of 1.68 and 0.64 daily truck trips per 1,000 square feet of warehouse space. Therefore, revise Table 3 utilizing this formula.

#### Other Recommendations

- Although the proposed Project includes use of a truck route approved under the 2012 Perris Valley Commerce Center Specific Plan, ARB recommends additional coordination with the existing local community while considering truck traffic impacts and circulation that will result from the proposed Project.
- Develop and consider a project design that incorporates applicable guiding principles, as well as potential criteria in evaluating projects proposed by State or local agencies, as outlined in the California Sustainable Freight Action Plan

(Action Plan). The Action Plan can be found at <a href="http://www.dot.ca.gov/casustainablefreight/theplan.html">http://www.dot.ca.gov/casustainablefreight/theplan.html</a>. ARB staff is available to assist in implementing this recommendation.

ARB staff appreciates the opportunity to comment on the NOP for the proposed Project and is able to provide assistance for successful implementation and deployment of a state-of-the-art facility that serves the region's distribution and air quality needs, while protecting public health.

Please include ARB on your State Clearinghouse list of selected State agencies that will receive the DEIR as part of the comment period. If you have questions, please contact Robbie Morris, Air Pollution Specialist, at (916) 322-0006 or via email at Robbie.Morris@arb.ca.gov.

Sincerely,

Elizabeth Yura, Chief

Emission Assessment Branch

Transportation and Toxics Division

cc: See next page.

cc: State Clearinghouse

P.O. Box 3044

Sacramento, California 95812-3044

Dr. Jillian Wong Planning and Rules Manager South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, California 91765

Connell Dunning
Transportation Team Supervisor
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, ENF-4-2
San Francisco, California 94105

Development Review/ CEQA Compliance California Department of Transportation, District 8 464 West Fourth Street San Bernardino, California 92401-1400